

~~CONFIDENTIAL~~OK files
Rpts Audit
Rpts HPO

30 SEP 1980

MEMORANDUM FOR: Chief, Audit Staff

VIA: Inspector General

FROM: James H. McDonald
Director of Logistics

SUBJECT: Report of Audit Appraisal, Inventory Control System [redacted]

25X1

REFERENCES:

- A. Memo to DDA and D/L fm C/AS dtd 1 Apr 80,
subj as above (OL 0-1538)
- B. Memo to C/AS fm D/L, dtd 22 May 80, same
subj (OL 0-1538a)

1. The subject report contains recommendations regarding the Inventory Control System (ICS) and the Federal Automated Requisitioning System (FARS). The following represents an update of the actions that have been taken in response to the recommendations:

a. Recommendation #1: Explore the benefits that may be derived from system enhancements for the following and, if beneficial, implement the changes required:

- (1) develop a random inventory selection module to replace an inefficient card selection process,
- (2) modify data elements to provide the information needed to determine repetitive demand, and
- (3) procure needed statistical information automatically at appropriate periods and on demand.

Action: (1) The Chief, [redacted] and Chief, Inventory and Inspection Staff (I&IS) are currently reviewing all processes connected with the "count card" concept of physical inventories. We are developing a procedure that will allow I&IS to control the entire process of inventorying. This new procedure will utilize the data within the ICS and the Hetra printer located at the [redacted] The proposal calls for the following changes to take place:

25X1

25X1

25X1

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~SUBJECT: Report of Audit Appraisal, Inventory Control System

25X1

(a) ICS enhancement number one - have the transactions that involve warehouse location changes added to the ICS activity file.

(b) ICS enhancement number two - provide a menu method of updating the inventory date (INV-DTE) data field located in the ICS inventory file.

(c) Develop an acceptable printout, using the Hetra printer at the for physical inventories.

25X1

(d) Train the personnel on how to effectively use the ICS and the new document for conducting physical inventories.

25X1

Requirements (a) and (b) will be discussed with the Data Control Branch (DCB). Requirement (c) is in the process of development and should be available for review by 1 October 1980. Requirement (d) is dependent upon the other requirements.

(2) and (3) Completed. See Referent B.

b. Recommendation #2: Re-examine the month-end reporting requirements to determine minimum reports need.

Action: Completed. See Referent B.

c. Recommendation #3: Assess the utility and cost effectiveness of continuing to compare the Depot Issue Notice (DIN) to the requisition Form 88 and take appropriate action.

Action: The elimination of the Depot Issue Notice to "88" comparison is dependent upon a redesign of the DIN. This redesign will require data processing resources that are available in the Office of Logistics' Systems Analysis Branch. and DCB met on 22 September and have this recommendation under active consideration.

d. Recommendation #4: Consolidate files and manual procedures to eliminate duplication of data and recording processes.

Action: Recommendations have been made to the LIMS Steering Committee to include expanded data fields to accommodate below requirements:

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~SUBJECT: Report of Audit Appraisal, Inventory Control System

25X1

- (1) Central control on Form 2420's
- (2) Eliminate NAR documents
- (3) Single number system adopted
- (4) Automate processing of the receiving reports
- (5) Automate followup on discrepant materiel
- (6) Automate shipping data on cargo deliveries and name of recipient

e. Recommendation #5: Revise Property Turn-in procedures to minimize paper handling and processing.

Action: The proposed revision called for a Delta Data Terminal to be installed in the [redacted] area of the [redacted]. This terminal would allow all those processes related to PTI's to be directly input and readily available to the ICS. The request for the terminal went forward and was approved on 6 May 1980. Pending the installment of the terminal, changes were made to the PTI processes to minimize the use and flow of paper. The Input Terminal scheduled for CR&DS is not expected to be received until early 1981. At that time we would expect paper handling between CR&DS and SMB to be reduced considerably.

25X1

f. Recommendation #6: Consider modifying the current "wash" stock number procedure to provide the needed level of demand information.

Action: Completed. See referent b.

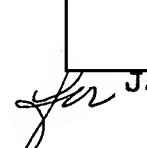
g. Recommendation #7: Investigate the possibility of utilizing the DIN as a replacement for the telecopier in the processing of priority requests.

Action: Completed. See referent b.

25X1

2. Please contact P&PS/OL, extension [redacted] if we may be of further assistance.

25X1


 James H. McDonald

Att

Refs

cc: DDA, W/atts

~~CONFIDENTIAL~~

25X1

Approved For Release 2003/05/23 : CIA-RDP83-00957R000100040002-2

Approved For Release 2003/05/23 : CIA-RDP83-00957R000100040002-2